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Automotive News

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GM, Ford bet on 'human' machines

By Michelle Krebs
Financial Editor

General Motors and Ford Motor Co. are betting that machines capable of mimicking human beings will give them a competitive edge in automobile manufacturing of the future.

The auto makers are further betting that the way to move rapidly growing artificial intelligence technology onto factory floors quickly is by having small, entrepreneurial companies put it there.

This update on artificial intelligence begins a two-part prelude to the Society of Automotive Engineers' Detroit convention, which opens Feb. 24. Next week's focus is individual machine companies and their inventions—part of a broader SAE show preview.

In the past year and a half, GM has invested about $100 million in buying minority interests in small, relatively new companies with artificial intelligence technology—technology that emulates a human function.

Ford has invested $63 million in companies specializing in artificial intelligence and computer integrated manufacturing.

Included in the artificial intelligence family are: Machine vision, technology which emulates human sight; robotics, technology that imitates human movement; and expert systems, also known as

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Japan to extend restraints

But it hints this year will be last of quota

By Francis J. Gawronski
Tokyo Bureau Chief

TOKYO.—The Japanese Government announced last week that it will continue voluntary restraints on automobile exports to the U.S. at the current level for another year starting April 1, but it hinted strongly that this would be the last year for the quotas. The export limit will continue to be 2.3 million cars.

Michio Watanabe, Minister of International Trade and Industry, told a hastily called press meeting that the restraints were being extended for another year primarily in consideration of the Japan-U.S. trade deficit. Watanabe made the announcement here after the decision was leaked several hours earlier in Washington, following the Japanese Government's notification of its intention to the U.S. Government through diplomatic channels.

Watanabe said he will inform each of the of the Japanese auto makers of the decision in writing. The method of allocating export quotas to each manufacturer and their industrial volume will remain the same as in 1985, he said.

Meanwhile, Naoki Kuroda, director of the MITI Automobile Division's machinery and information industries bureau, strongly hinted that this may be the last year for the restraints. When asked during a briefing for the foreign press if the restraints would extend beyond the next fiscal year, Kuroda called attention to the published announcement and noted that it just referred to the 1986 fiscal year. He said Japan feels the ideal situation would be free automotive trade because it would be good for both the industry the consumer. He said quotas are not a right and "we hope the American people feel the same way."

Watanabe said Japan will hold auto shipments to 2.3 million units in the next fiscal year, the same as in the current year.

Before the decision was made, MITI officials sounded out the U.S. Government, Congress and U.S. auto makers as well as Japanese auto makers' export prospects. Indications were that if the

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$5,499—but his mind was on other matters Joe Wilssens

Omni-Horizon price cut may spread at Chrysler

By Mary Connelly
Detroit Reporter

Chrysler Corp.'s bold move last week to offer 1987 "America" versions of its Omni and Horizon subcompacts for $710 less than current prices is an experiment which could lead to applications in additional lines.

On May 15, Chrysler will introduce the $5,499 America model which will be available with only two equipment packages and only three free-standing options.

Automotive News reported Chrysler's new program in its Feb. 10 issue.

Chrysler Chairman Lee Iacocca called the introduction of the America models "an experiment" and "the first step on the road to Liberty," a reference to Chrysler's effort to cut $2,000 out of the cost of a car to better compete with imports.

"It's a test of our ability to profitably produce a subcompact in

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Dealer total down 229 for year

By John K. Teahen Jr.
Senior Editor

After two years of gains, the domestic dealer total nosedived in 1985.

The annual Automotive News census found 20,673 dealerships handling domestic makes of passenger cars on Jan. 1, a decline of 229 from the 20,902 in operation a year earlier.

In 1984, the total rose by 61 outlets, and in 1983 there was an increase of 42. But those two years were exceptions to a long-term trend. After a rise in 1955, the domestic dealer total dropped for 27 consecutive years before the 1983 upturn.

Four of the five manufacturers in the domestic category saw their dealer totals decline in 1985. Chrysler Corp., with a gain of 15, was the sole exception.

There were dips of 135 outlets for General Motors, 47 for Ford Motor Co., 44 for American Motors-Renault and 22 for Volkswagen. The combined loss of 233 was reduced to 229 by a change in the number of intercorporate duals.

All figures in this article and in the accompanying tables refer to the net change in the dealer population, both for the individual manufacturers and car lines and

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Bandit gang raids Chrysler

MEXICO CITY.—The wave of armed assaults sweeping Mexico has finally reached the automotive sector.

A band of 15 robbers, armed with machine guns and heavy automatics, attacked the Chrysler de Mexico Lago Alberto plant and made off with a $253,000 payroll for plant workers.

Five armed bandits kidnapped a cashier, Fernando Maldonado Gonzales, on his way to an evening of work. They took their hostage to the Chrysler plant, where 10 other armed men joined them.

Maldonado Gonzalez was forced to approach gate guards and request entry. This was not unusual since a skeleton night staff frequently was on duty.

Once inside, the bandits disarmed a half-dozen guards and forced Maldonado Gonzalez to open the safe. The assailants then locked the cashier and the guards in the payroll office and made off with the money in three cars.

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How GM fares in ad-rate blitz

By Edward Lapham
and Jesse Snyder

General Motors' Media Council is wringing bigger ad discounts from many magazines while locking itself into multi-year contracts and promising more pages over the long haul.

But the GM media juggernaut, designed to pare costs for the auto maker, is meeting resistance from some quarters—most notably The Wall Street Journal.

In no case has GM achieved all, or even most, of the highly publicized "14 points," although it has gained some ground, particularly in the area of long-term contracts and discounts based on dollar volume instead of page count.

In addition, Ford, Chrysler and Toyota already have signaled publishers that they expect the same breaks GM wrangles.

Despite contentions from most publications that they did not knuckle under, there is evidence that many did just that, sacrificing pontifications about the sanctity of the rate card in exchange for assurances of continued business.

GM's list of 14 negotiating points is an expansion of an earlier Ford Motor Co. effort.

Two senior Ford advertising agency executives said GM is still playing catch-up. "They're running about six years behind us on this one," said one. "Ford already has multi-year deals with some magazines where it makes sense to do so." He characterized the GM effort as abrasive and a bit clumsy, without the informal give-and-take that comes with experience.

One top GM agency executive also believes Ford and Chrysler Corp. have a head start on innovative media bargaining. "It wasn't on GM's list of priorities before," he said.

GM is still negotiating with several consumer book publishers and won't begin talks with trade publications for up to six months because GM's 30-person Strategic Business Unit overseeing bargain-

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80,000 seek 3,500 jobs at Mazda U.S.

By Francis J. Gawronski
Tokyo Bureau Chief

An estimated 80,000 persons sought applications for 3,500 jobs at the new Mazda Motor Mfg. U.S.A. plant under construction in Flat Rock, Mich.

All the requests poured in during the 12-day period beginning Feb. 4, when the company initiated hiring procedures.

Hiring preference is expected to be given to about 14,000 laid-off Ford Motor Co. employes who meet Mazda's qualifications. Ford owns 25 percent of the Japanese automaker. Mazda and the UAW signed a letter of agreement in 1984 to give the laid-off workers preference in hiring.

The provisional agreement also states that starting pay will be 85 percent of Ford's hourly rates.

Mazda set a Feb. 15 deadline for requests for employment applications and stipulated the requests be in writing.

Mazda Motor Corp. said it plans to bring about 400 of the initial employes to Japan for training starting in June.

The initial staffing at Flat Rock will include production and maintenance team members and supervisors. Full-scale hiring will begin this summer and will continue through the plant's scheduled start of production in the fall of 1987.

Although Mazda plans to provide orientation and instructions to its newly hired team members in Flat Rock, small groups of 30 to 50 supervisors, including team and unit leaders, will be selected to "train in Mazda production techniques and also to learn about Japanese culture."

Mazda said team members chosen for training will first visit the company's headquarters and plants in Hiroshima.

They then will visit Mazda's modern plant in Hofu, Japan, which served as the model for the Flat Rock facility, to learn about Mazda's production and management systems, the firm said.

"The primary purpose of this visit is to instill in the new employes Mazda's dedication to high quality products," Osamu Nobuto, Mazda Manufacturing president, said.

"The trip also is meant to provide the American employes with an understanding of Mazda's corporate commitments and management philosophy, thereby strengthening the bond of confidence and cooperation between team members and the company," Nobuto said.

Learning about Japanese culture is a significant aspect of the program, Nobuto said.

The $450-million plant will produce 240,000 vehicles annually at full capacity.

Joe Wilsens

Coin Financial Systems in the NADA computer wave

It was a computer show for dealers

By Jake Kelderman
Washington Reporter

NEW ORLEANS.—"Is this a computer show or is this an auto show?" some dealers were heard to ask at this year's NADA convention. And well they might ask, for computers and computer companies were by far the dominant exhibitors this year.

There were major displays by industry leaders ADP, Reynolds & Reynolds, Oakleaf and Applied Data Systems, Inc., as well as the first showing of the General Motors/EDS alliance's Dealer Information Systems Division (DISD), GM's highly touted effort to link its entire operation through the wonders of computer technology.

Systems simple ehough for the smallest dealer and those sophisticated enough for the largest were on display as well as software ranging in function from one to "relax" a potential buyer who is in the showroom to one to track down any that might have left without a purchase.

ADP showed off a new "super computer" dubbed MAX 25000 for large dealerships, high-volume dealerships and multiple-location dealerships with eight megabytes of main memory, one gigabyte of disk storage and the ability to handle data from 205 terminals at one time. Reynolds & Reynolds

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Saab follows Volvo on plant site

NYKOPING, Sweden.—Saab-Scania has confirmed that—like Volvo—it will set up a new passenger-car assembly plant in a large shipyard that is being closed down by the government. Saab also said it has entered into a deal with the government similar to Volvo's.

Saab will move a local assembly operation into the Kochum shipyard in Malmo when production is halted there in 1988. The car maker will expand its existing operation, and new jobs will be offered to the former shipyard workers.

Saab's compensation from the government will be exactly the same as for Volvo's Uddevalla facility—12.5 billion Swedish kronor (about $1.7 million) released from otherwise frozen investment funds. The government will also give Saab a fixed training cost contribution of 200,000 kronor (about $26,800) for each new employe taken on.

The agreement is part of a government package designed to provide new jobs for 2,300 of 2,700 shipyard workers in the Malmo area.

By deciding to expand in Malmo, Saab has moved beyond its recently set goal of producing 150,000 cars a year in 1988. The company may reach 200,000 cars a year by 1994.

The Saab-Scania group of companies' investments for the Malmo plant and other projects in Sweden from 1986-92 will amount to 31 billion Swedish kronor or some $4.2 billion.

The company plans to begin production at its new Malmo plant at the end of 1989. The facility will assemble cars from painted bodies produced in the Trollhattan plant. Initial production capacity will be 60,000 cars a year.

That total would be a substantial increase over production at the existing local facility, even if capacity there is boosted as planned from the current 23,000 cars a year to 35,000 in 1988.

By that time, Saab will begin transferring operations to the new premises in Malmo, four miles to the south. The work force will subsequently grow from 1,200 people (versus 630 currently) to 1,600 in 1989.

In a second stage of expansion, projected capacity after 1992 could increase from 60,000 a year to 90,000—with only one-third of that production based on painted bodies supplied by the Trollhattan plant.

"This wil help reduce the shortage of cars," said Bengt Odmann, Saab Car Division vice president of sales and marketing. "We will be in a better position to respond to market fluctuations."

According to plans, a new body shop and paint shop will be constructed in Malmo, increasing the work force from 1,600 to 2,700 people.

Since it is not actually buying the shipbuilding company, Saab cannot duplicate Volvo's coup of using a shipbuilder's losses to reduce taxes on its auto-making profits.

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One plant may replace AMC Toledo, Kenosha

By Richard Johnson
Detroit Reporter

CHICAGO.—American Motors is considering replacing both its Kenosha and Toledo assembly plants with a single facility that would turn out both Jeeps and passenger cars, according to Joseph Cappy, AMC executive vice president and chief operating officer.

Cappy's comments at the Chicago Auto Show were the first indication AMC was considering replacing the Toledo Jeep plant, where AMC assembles all Jeep models except the new Wrangler. The Wrangler is built in Brampton, Ont.

He said AMC could consolidate Jeep and car operations in a new plant that is expected to house a 1989 replacement for Alliance/Encore. The company is currently negotiating with five Midwest states, although Cappy said the Alliance/Encore replacement could also be sourced in a foreign country.

AMC is expected to set its plans this spring after receiving responses to detailed questionnaires submitted to the competing states.

"The important thing is that the two facilities we have today, Kenosha and Toledo, are not cost-efficient," Cappy said, noting that both operations are more than 70 years old, with numerous buildings and antiquated layouts.

Several states approached AMC last year after company officials let it be known they would not build the 1989 Alliance/Encore replacement in the aging, multi-story Kenosha facility.

AMC has acknowledged discussions with Wisconsin officials on ways to improve its competitiveness in the state, but has declined to identify other finalists competing for the industrial prize. However, company spokesman have said the contending states are "generally in the Midwest."

In response to a question about the possible closure of Toledo, UAW President Owen Beiber last week said Cappy may be opening a can of worms.

"I would certainly hope that doesn't become the final word there," said Beiber. "I'm sure more will be said about that subject before that comes to pass, and I certainly hope it doesn't."

The Jeep plant has been a source of labor headaches for AMC.

Construction of a new assembly plant will cost $300 million to $400 million, according to Cappy, who said the additional cost of developing new product for the plant would depend on the number of vehicles manufactured there.

During a meeting with reporters at the show, Cappy also said AMC is continuing its pursuit of Asian sources for products and components. It has been widely speculated that AMC will import a low-cost entry-level car from Asia or perhaps a small van from a Far Eastern producer.

Valentines for AMC from Kenosha hopefuls

KENOSHA.—Employes and townspeople hoping to keep the American Motors plant here sent the auto maker about 9,000 valentines last Friday (Feb. 14) along with a red satin heart-shaped pillow embroidered with the words "AMC, don't break our hearts."

The cards, provided by the Kenosha News, were flown to AMC's Southfield (Mich.) headquarters.

AMC cuts back Cherokee output at China plant

CHICAGO.—Citing a shortage of foreign exchange currency in China, American Motors has cut in half its 1986 production plans for the Beijing-built Cherokee launched last fall.

Beijing Jeep Corp., AMC's joint venture with the Chinese, originally set a 1986 production goal of at least 6,000 units for the Cherokee. But at the Chicago Auto Show last week, Joseph Cappy, AMC executive vice president and chief operating officer, said lack of hard currency in the country has forced the company to scale down the original target to 3,000-4,000 units.

"Our venture is extremely good, but there is a currency problem in China," said Cappy. "Our company has shared that problem, but it's a Chinese problem."

However, he saw no threat to the history-making, three-year-old venture, which he said Chinese officials are anxious to see succeed because of its high visibility.

Chinese content on the Cherokee has been put at about 12 percent, although Beijing Jeep has approved an aggressive investment program aimed at quickly increasing that percentage.

Besides the Cherokee, Beijing Jeep assembles 18,000-20,000 BJ212 models annually, although the old, Russian-designed vehicle is expected to eventually give way to the Cherokee.

Later this year, AMC will begin assembling the Jeep Comanche pickup truck in Beijing, with annual volume pegged at 7,000-8,000.

—Richard Johnson

NEW-CAR STOCKS

	Feb. 1, 1986	Jan. 1, 1986	Feb. 1, 1985
Alliance	121	130	128
Encore	166	172	163
Total Renault	135	143	140
Eagle	111	102	115
Total AMC	111	102	115
AMERICAN MTRS.	131	137	136
Horizon	93	85	80
Tur'smo	110	86	90
Reliant	62	57	67
Caravelle	118	91	77
Plymouth	112	104	100
Total Plymouth	83	72	76
Laser	138	113	141
LeBaron K	125	102	90
LeBaron GTS	117	89	64
Cordoba	0	0	0
Fifth Avenue	85	46	89
E-Class	0	0	98
New Yorker	86	69	0
Total Chrysler	107	80	95
Omni	87	75	77
Charger	104	83	88
Daytona	91	75	122
Aries	68	63	70
Lancer	163	119	79
Dodge 400-600	0	0	0
Diplomat	82	77	93
Mirada	0	0	0
Dodge 600	127	102	93
Total Dodge	97	81	84
CHRYSLER CORP.	96	78	85
EXP	0	0	122
Escort	34	26	74
Mustang	94	79	44
Tempo	60	53	81
Taurus	78	45	0
Thunderbird	84	75	76
LTD	64	78	88
Crown Victoria	83	69	136
Total Ford Division	59	51	82
Lynx	50	45	93
Topaz	64	46	73
Sable	61	30	0
Cougar XR-7	78	76	80
Capri	168	140	101
Marquis	69	84	94
Grand Marquis	72	61	138
Total Mercury	69	61	99
Continental	56	47	56
Lincoln	41	32	62
Mark VII	55	42	81
Total Lincoln	45	36	63
Total L-M Division	62	54	90
FORD MOTOR CO.	60	52	85
Skyhawk	98	82	58
Skylark	0	0	60
Somerset Regal	126	130	53
Century	107	99	41
Regal	161	168	62
LeSabre	96	81	67
Electra	124	108	45
Riviera	71	68	52
Total Buick	115	107	55
Cimarron	59	52	77
Seville	63	64	72
Cadillac	58	54	57
Eldorado	60	61	71
Total Cadillac	59	55	63
Chevette	79	64	42
Nova	99	93	0
Cavalier	51	49	44
Citation	66	78	87
Camaro	135	105	70
Celebrity	79	69	36
Malibu	0	0	0
Monte Carlo	130	111	47
Chevrolet	130	98	74
Corvette	93	105	54
Total Chevrolet	87	75	53
Firenza	102	91	53
Omega	0	0	0
Calais	161	132	58
Cutlass Ciera	84	84	27
Cutlass Supreme	110	110	31
Olds 88	92	66	54
Olds 98	69	65	46
Toronado	83	85	60
Total Oldsmobile	96	88	41
Fiero	157	163	89
1000	113	115	57
Sunbird	58	60	67
Phoenix	0	0	1
Firebird	109	89	73
Grand Am	43	37	27
6000	70	81	41
Bonneville	90	90	72
Grand Prix	125	128	82
Parisienne	158	136	96
Total Pontiac	86	84	62
GENERAL MTRS.	91	83	52
VOLKSWAGEN	85	82	0
HONDA	19	7	24
NISSAN	27	20	0
DOMESTIC TOTAL	82	73	65
Subcompact	67	59	73
Compact	75	68	64
Intermediate	94	88	54
Standard	106	84	87
Luxury	71	62	61

Stock soars to 6½-year high

By Kathy Boyer
Detroit Reporter

Sales incentives in January did not reduce the domestic-car inventory.

The stockpile of unsold new cars rose inexorably during the deep-winter month.

As of Feb. 1, the number of unsold new domestic cars was a 6½-year high and the days' supply was a 3½-year high.

Total domestic-car inventory of 1,767,086 for Feb. 1 was the largest tallied since Aug. 1, 1979, when 2,026,294 were counted. The unit count had been 1,629,649 a month earlier and 1,565,456 a year earlier.

Days' supply on Feb. 1 also jumped, reaching 82, the highest recorded since Sept. 1, 1982, when an 88-day supply was reported.

Days' supply had been 73 a month earlier and 65 a year ago.

Feb. 1 inventories were shared as follows: General Motors, 61.56 percent; Ford Motor Co., 19.00 percent; Chrysler Corp., 15.50 percent; American Motors, 2.17 percent; Volkswagen, 1.07 percent; Honda, 0.37 percent, and Nissan, 0.33 percent.

A month ago the standings were: General Motors, 63.22 percent; Ford Motor Co., 18.46 percent; Chrysler Corp., 14.16 percent; American Motors, 2.55 percent; Volkswagen, 1.18 percent; Nissan, 0.28 percent, and Honda, 0.15 percent. (All figures for VW, Nissan and Honda in this story are based on U.S. production only.)

By size class, the Feb. 1 inventory was divided this way: Subcompact, 16.61 percent; compact, 22.21 percent; intermediate, 37.99 percent; standard, 12.83 percent, and luxury, 10.36 percent.

A month earlier shares were: Subcompact, 16.50 percent; compact, 21.95 percent; intermediate, 39.78 percent; standard, 11.52 percent, and luxury, 10.25 percent.

Domestic models by size class and days' supply on Feb. 1:

Subcompact—Encore, 166; Fiero, 157; Laser, 138; Alliance, 121; Pontiac 1000, 113; Turismo, 110; Charger, 104; Nova, 99; Horizon, 93; Daytona, 91; Omni, 87; Volkswagen, 85; Chevette, 79; Lynx, 50; Escort, 34; Nissan, 27, and Honda, 19.

Compact—Capri, 168; Camaro, 135; LeBaron, 125; Eagle 111, Firebird, 109; Firenza, 102; Skyhawk, 98; Mustang, 94; Aries, 68; Topaz, 64; Reliant, 62; Tempo, 60; Cimarron, 59; Sunbird, 58, and Cavalier, 51.

Intermediate—Lancer, 163; Calais, 161; Regal, 161; Monte Carlo, 130; Dodge 600, 127; Somerset, 126; Grand Prix, 125; Caravelle, 118; LeBaron GTS, 117; Cutlass Supreme, 110; Century, 107; Bonneville, 90; New Yorker, 86; Cutlass Ciera, 84; Thunderbird, 84; Celebrity, 79; Cougar XR-7, 78; Taurus, 78; Pontiac 6000, 70; Marquis, 69; Citation, 66; LTD, 64; Sable, 61, and Grand Am, 43.

Standard—Parisienne, 158; Chevrolet, 130; Plymouth, 112; LeSabre, 96; Oldsmobile 88, 92; Crown Victoria, 83; Diplomat, 82, and Grand Marquis, 72.

Luxury—Electra, 124; Corvette, 93; Fifth Avenue, 85; Toronado, 83; Riviera, 71; Oldsmobile Ninety-Eight, 69; Seville, 63; Eldorado, 60; Cadillac, 58; Continental, 56; Mark VII, 55, and Lincoln, 41.

Import inventory dips

By Kathy Boyer
Detroit Reporter

Imported-car inventories on Feb. 1 showed a modest decline from the month-earlier total, but the days' supply was the highest in almost three years.

The Feb. 1 inventory count was 329,798 cars, according to Automotive News estimates. That total compares with 338,315 a month earlier and 262,990 a year earlier.

The days' supply—represented by unsold cars at dealerships, at dockside and in transit—on Feb. 1 was the highest for any month-opener since the 40-day stock recorded for May 1, 1983. Days' supply had been 28 a month earlier and 33 a year earlier.

Import trucks also carried a higher days' supply, reaching 48 on Feb. 1, the highest since Dec. 1, 1983.

A month earlier, the days' supply of trucks was 38, and a year earlier it was 36.

Unsold trucks numbered 124,781, compared with 102,664 on Jan. 1 and 101,619 on Feb. 1 a year ago.

The Feb. 1 combined imported car and truck inventory rose to 454,579—the highest since Jan. 1, 1983, when 487,851 units were in stock. This marks the fourth time in 36 months that the combined inventories have topped 400,000.

The car and truck inventory total represented a 39-day supply, the highest since May 1, 1983, when a 45½-day supply was reported.

On Feb. 1, import-car inventories were divided this way: Japan, 65.07 percent; Germany, 22.95 percent, and other countries, 11.98 percent.

A month earlier, the shares were: Japan, 62.79 percent; Germany, 25.18 percent, and other countries, 12.03 percent.

Cars by country of origin and their Feb. 1 days' supply were as follows:

IMPORT STOCKS

	Feb. 1, 1986	Jan. 1, 1986	Feb. 1, 1985
Spectrum	215	191	146
Sprint	89	89	38
Chevrolet	149	138	109
Chrysler Corp.	79	52	60
Honda	9	8	13
Isuzu	79	107	19
Mazda	26	13	48
Mitsubishi	21	31	13
Nissan	34	35	29
Subaru	23	25	23
Toyota	8	11	12
JAPAN	30	19	25
Audi	80	63	110
BMW	52	62	65
Mercedes-Benz	23	19	40
Merkur	104	107	0
Porsche	76	56	46
VW	80	83	74
GERMANY	61	57	70
Alfa Romeo	45	111	66
Jaguar	26	3	35
Peugeot	72	103	45
Renault	281	263	218
Saab	55	47	31
Volvo	47	120	37
Yugo	26	24	0
Other Countries	49	68	47
Total ImportCars	36	28	33
Isuzu	122	65	164
Mazda	37	21	36
Mitsubishi	23	54	22
Nissan*	67	58	24
Toyota	28	23	33
Chrysler	69	61	51
Total Import Trucks	48	38	37
Total Import Vehicles	39	30	34

*Includes domestic trucks

Japan—Toyota, 8; Honda, 9, Mitsubishi, 21; Subaru, 23; Mazda, 26; Nissan, 34; Isuzu, 79; Chrysler Corp., 79, and Chevrolet imports, 149, (including 89 for the Suzuki-built Sprint and 149 for the Isuzu-built Spectrum).

Germany—Mercedes-Benz, 23; BMW, 52; Porsche, 76; Volkswagen, 80; Audi, 80, and Merkur, 104.

Other countries—Yugo, 26; Jaguar, 26; Alfa Romeo, 45; Volvo, 47; Saab, 55; Peugeot, 72, and Renault, 281.

Trucks and their days' supply were: Mitsubishi, 23; Toyota, 28; Mazda, 37; Nissan, 67; Chrysler, 69, and Isuzu, 122.

All import truck figures include Nissan's domestic models.

Car sales decline, trucks gain in Canada

By Jenny L. King
Detroit Reporter

After five consecutive months of increases at the end of 1985, sales of new North American-built passenger cars in Canada were down 2.59 percent in January. But truck sales by the four major makers pushed 15.72 percent ahead of their year-ago total.

January car sales, with Ford showing the only increase, numbered 47,628, off some 1,200 units from 48,896 in 1985. The 2.59-percent decline followed a steady stream of improved sales beginning in August, 1985.

Ford reported sales of 11,227 domestic cars, up 8.34 percent from 10,363. General Motors was off 2.09 percent, to 25,673 from 26,221. Chrysler slipped 8.61 percent, to 9,206 from 10,073.

American Motors finished the month with sales of 940 units, down 40.54 percent from 1,581. The figures included 224 imported Renaults this year versus 442 in 1985. Volvo was down 11.55 percent, to 582 from 658.

GM's share of the new-car market in January was 53.87 percent, up from 53.63 percent. Ford earned 23.63 percent compared with 21.19 percent a year earlier. Chrysler slipped to 19.31 percent from 20.60 percent. AMC plunged to 1.97 percent from 3.23 percent, and Volvo had 1.22 percent, down from 1.35 percent.

In contrast, all four major North American truck makers posted sales gains in January. Total sales increased 15.72 percent, climbing to 23,727 from 20,503 last year. It was the 31st consecutive month of truck sales gains in Canada.

GM was up 16.51 percent, to 10,082. Ford climbed 17.11 percent, to 8,454. Chrysler reported a record January, with sales of 3,966 up 2.61 percent from 3,865. Jeep was up 59.92 percent, to 1,225 from 766.

The market shares shifted in favor of AMC and away from Chrysler. Ford and GM gained slightly.

AMC was up to 5.16 percent from 3.74 percent. Chrysler slipped to 16.72 percent from 18.85 percent. Ford had 35.63 percent, up from 35.21 percent and GM moved to 42.49 percent from 42.20 percent. Truck sales include captive imports.

DOMESTIC SALES

	Feb. 1-10, 1986	Feb. 1-10, 1985
Renault		
Alliance-Encore	1,550†	2,200†
AMC	250†	320†
AMERICAN MOTORS	1,800†	2,520†
Chrysler	6,762	5,782
Plymouth	7,632	8,503
Dodge	7,719	9,695
CHRYSLER CORP.	22,113	23,980
Ford	28,966	25,900
Mercury	10,481	10,046
Lincoln	3,423	4,467
FORD MOTOR CO.	42,870	40,413
Buick	16,071	18,330
Cadillac	6,547	6,053
Chevrolet	35,994	29,490
Oldsmobile	25,676	24,669
Pontiac	15,333	14,535
GENERAL MOTORS	99,621	93,077
VOLKSWAGEN	1,148	900
HONDA	3,453	4,331
NISSAN	1,368	0
U.S. INDUSTRY TOTAL	172,373	165,221

†—Estimate

Car sales up 4 percent in Feb. period

By Jenny L. King
Detroit Reporter

Early February new-car sales rose 7,000 units, or 4.33 percent, from the equivalent 1985 period.

Low-interest-rate incentives were most probably the reason for the increase during a traditionally slow time of year.

Feb. 1-10, 1986, domestic sales of 172,373 included year-to-year increases for three of the six makers reporting a year ago.

With eight selling days in the period both years, the recent daily average of 21,547 was up 4.33 percent from 20,653 in 1985, when the total was 165,221. Two years ago, sales for the period reached 181,694. The record is 235,527 and dates back to 1965.

General Motors reported period sales of 99,621, up 7.03 percent from 93,077. Ford Motor Co. was up 6.08 percent, to 42,870 from 40,413. Chrysler Motors dropped 7.79 percent, to 22,113 from 23,980.

Volkswagen, on a roll with increased sales every period since Aug. 11-20, 1985, was up 27.56 percent to 1,148 from 900. Honda sales were off 20.27 percent, to 3,453 from 4,331. American Motors' sales estimate of 1,800 was down 28.57 percent from 2,520, and Nissan dealers delivered 1,368 U.S. Sentras in the period.

All figures in this story refer only to domestically produced autos.

GM's share of the market improved to 57.79 percent from 56.34 percent. Ford was up to 24.87 percent from 24.46 percent. Chrysler slipped to 12.83 percent from 14.51 percent. Honda's 2.00 percent was down from 2.62 percent a year earlier. AMC had 1.04 percent compared with 1.53 percent. VW edged up to 0.67 percent from 0.54 percent. Nissan earned 0.80 percent of the Feb. 1-10 domestic market.

Domestic makes reporting sales increases were Chrysler, up 16.95 percent; Ford, up 11.84 percent; Mercury, up 4.33 percent; Cadillac, up 8.16 percent; Chevrolet, up 22.05 percent; Oldsmobile, up 4.08 percent; Pontiac, up 5.49 percent, and VW, up 27.56 percent.

Minus signs stood before sales numbers from Plymouth, down 10.24 percent; Dodge, down 20.38 percent; Lincoln, down 23.37 percent; Buick, down 12.32 percent; AMC, down 21.88 percent; Renault, down 29.55 percent, and Honda, down 20.27 percent.

Year-to-date sales reached 808,277, up 1.89 percent from 793,258.

used-car auction directory

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Floyd Hauhe Auto Auction & Recon Ctr.—fleet & Lease car spec.—Nationwide pickup. 314-739-1300. 12000 St. Charles Rd., Bridgeton, St. Louis, MO 63044.

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Missoula Auto Auction — We need fleet and lease accounts. Pickup and recon in the Great Northwest. Missoula, Montana, every other Tuesday. 406-549-5854, Jim Ellis.

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OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio. Call: 614-871-2771

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Portland Auto Auction. Fleet & lease accts. welcome, repos, etc. The West's best. Call: Bert, 503-286-3000. 3000 No. Hayden Island, Portland, Oregon 97217.

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factories list auction dates

American Motors

Feb. 18—Aptco Auto Auction, Taylor, Mich., and High Point Auto Auction, High Point, N.C.

Feb. 19—Metro Milwaukee Auto Auction, Caledonia, Wis., and Mid States Auto Auction, South Bend

Feb. 20—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind.; Corry Auto Auction, Corry, Pa., and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Feb. 21—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Feb. 25—D-A Auto Auction, New Stanton, Pa., and American Auto Auction, Walpole, Mass.

Feb. 26—Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Columbus Fair Auto Auction, Obetz, Ohio

Feb. 27—Evansville Auto Auction, Evansville, Ind., and Northway Exchange Auto Auction, Clifton Park, N.Y.

Chrysler Corp.

Feb. 18—Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Golden Gate Auto Auction, Fremont, Calif.

Feb. 19—Butler Auto Auction, Gibsonia, Pa.; Sand Mountain Auto Auction, Boaz, Ala.; Minneapolis Auto Auction, Plymouth, Minn., and Southwest Auto Auction, Phoenix

Feb. 20—Tim Anspach Auto Auction, Albany, N.Y.; Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis

Feb. 21—Concord Auto Auction, Acton, Mass.

Ford Motor Co.

Feb. 19—Lakeland Auto Auction, Lakeland, Fla., and Brasher's Southern California Auto Auction, Fontana, Calif.

Feb. 20—Aptco Auto Auction, Taylor, Mich., and Skyline Auto Exchange, Fairfield, N.J.

Feb. 25—South Seattle Auto Auction, Kent, Wash.

Feb. 26—Columbus Fair Auto Auction, Obetz, Ohio, and Clanton's Auto Auction, Darlington, S.C.

Feb. 27—Baltimore Washington Auto Exchange, Baltimore, and Big H Auto Auction, Houston

General Motors

Feb. 18—South Seattle Auto Auction, Kent, Wash.

Feb. 19—Clanton's Auto Auction, Darlington, S.C., and Indianapolis Auto Auction, Indianapolis

Feb. 20—Butler Auto Auction, Gibsonia, Pa., and Big H Auto Auction, Houston

Feb. 26—Golden Gate Auto Auction, Fremont, Calif., and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Nissan

Feb. 20—Nashville Auto Auction, Nashville

Used Car Sales
Auction Averages

Feb. to date	$4,800
Month ago	$4,763
Year ago	$4,699

Model Breakdown
Auction Averages

	FEB. 1986	JAN. 1986	DEC. 1985
1986	$10,481	$8,769	
1985	$8,699	$8,509	$9,839
1984	$6,127	$5,943	$6,514
1983	$5,204	$5,206	$5,594
1982	$4,110	$4,136	$4,507
1981	$3,196	$3,163	$3,474
1980	$2,479	$2,402	$2,694
1979	$2,468	$1,954	$2,207
Overall Average	$4,800	$4,851	$4,559

1985 Minuteman award goes to Maguire

Robert J. Maguire, Bob Maguire Chevrolet, Bordertown, N.J., receives the 1985 Minuteman award from the New Jersey National Guard for meritorious community service. From left are Rep. Christopher H. Smith, New Jersey Republican; Robert J. Maguire, dealership president; Maj. Gen. Francis R. Gerard, adjutant general, New Jersey National Guard, and Thomas W. Kelley, commander, U.S. Army Training Center and Fort Dix.

LaFata steps down at Aptco

TAYLOR, Mich.—Sam LaFata, president of Aptco Auto Auction here, is leaving to make way for the Anglo American Auto Auctions, Inc., team.

When LaFata purchased Aptco 16 years ago, it was a two-lane, 140-car-per-week operation in nearby Melvindale. After a year, LaFata purchased 18 acres of land here and built a four-lane auction with automatic car wash, reconditioning center and quarter-mile test track. Today, Aptco stands on 50 acres of land and handles more than 100,000 cars a year, including executive fleets sold by the major manufacturers.

LaFata recalls his first Chrysler factory sale in 1979, when the auto maker had fallen on hard times.

"We sold over 986 cars and handed Chrysler a check for over $5 million—not bad for four hours' work," he said.

LaFata is a past president of the Michigan Independent Automobile Dealers Assn. and of the Midwest Auto Auction Assn. He also has served on the board of the National Auto Auction Assn.

Nissan in U.S. to get engines from Mexico

MEXICO CITY.—Nissan Mexicana has confirmed that starting in the second half of this year, it will export 1,600-cc engines to the Nissan plant in Smyrna, Tenn.

The engines will be used in a remodeled version of the Sentra.

Anglo offers fleet liquidation

NASHVILLE.—A new service to help control high corporate fleet overhead costs and ease the burden of fleet turnovers is offered by the second-largest auction operator in the U.S.

The Auction Managed Fleet Plan of Anglo American Auto Auctions, Inc., utilizes the company's 12 locations around the country to liquidate fleets of various sizes.

"It's really a customized operation," said Dennis Thee, Anglo's vice president for sales. "We design a fleet plan for each customer, depending upon their particular needs.

"By centralizing all accounting and reporting operations at our Nashville headquarters and then combining them with our auction network, we are able to streamline the disposal of a company's fleet, keeping its overhead low."

Based on fleet users' research, Anglo now provides several new fleet-management services through its auction network. For instance, Anglo will oversee the reconditioning of each unit before auction, will transport cars to auction, will provide weekly sales and will offer detailed documentation with full payment to fleet sellers.

Anglo also has joined its 12 auctions with a network of 20 independently owned auctions in the Allied Auctions Group to further extend services to customers nationwide, according to Anglo.

The company attempts to coordinate the turning of the old fleet with delivery of new vehicles so transportation is uninterrupted.

A potential customer of the fleet plan is a company with an inconsistent procedure for disposing of its used fleet, said Anglo. Those companies often find themselves losing money by not obtaining the best price available and by spending inordinate amounts of time on fleet management.

According to Anglo, its fleet plan assimilates many of the necessary fleet department functions, thus turning the fixed overheads of fleet operation into variable overheads which are controllable and incurred only when needed.

The company offers an extensive advertising campaign for each client, outlining what's being sold, when and where. This is supplemented by Anglo's market reports to dealers in each auction area.

The Auction Managed Fleet Plan concept was developed by Anglo's parent company, British Car Auction Group, Ltd., in England, where more than 70 percent of the automobiles purchased are corporate-owned.

Anglo American is a wholly owned subsidiary of Sandgate Corp., a part of British Car Auction Group plc.

Carter heads Canadian dealers

TORONTO.—Howard G. Carter, Vancouver, B.C., has been named president of the Federation of Automobile Dealer Assns. of Canada.

Howard G. Carter

Carter replaces Brent Logan, a General Motors dealer in Yorkton, Sask., as head of the association, which represents all franchised new-car and truck dealers, both domestic and import, in the country.

Carter heads Carter Pontiac-Buick, Ltd., Vancouver, the largest Pontiac-Buick dealership in Western Canada. He also is president of Carter Honda and Carter Motor Cars, (Rolls-Royce, Bitter, Ferrari, Alfa Romeo, Nissan).

Burger explains lure of mall dealerships

By Richard Johnson
Detroit Reporter

CHICAGO.—The dealer franchise system is not going away, but it will undergo changes in the coming years, according to Robert Burger, Chevrolet general manager.

Chevrolet has been studying alternatives to the traditional one-dealer/one-showroom means of selling and servicing cars and trucks.

Burger told reporters at the Chicago Auto Show that new marketing techniques, such as a pilot program for mall dealerships, do not portend a restructuring of the basic auto retailing system in the U.S.

"I see nothing that says the franchise system is going to change, but there will be innovations," Burger said.

He said innovation is needed because state franchising laws have frequently prohibited manufacturers from establishing dealer points in growth areas.

"In many cases, we have been denied access to a market because of the franchise laws," he said. "That's why you are going to see innovation in the distribution systems. But the same dealers who are there today will be there 25 years from now."

Chevrolet has been reviewing retailing alternatives, including mall satellites and upgraded electronic videotext centers. But Burger said that even if most major purchases are handled by a home computer in the future, as is widely predicted, heavily capitalized dealer sites will remain central to the auto business.

"You've got to remember that nobody ever offered you anything for that TV set that wore out," he said.

"The one thing about the system that holds it in place is that used vehicle. Because of its original cost, it retains a pretty high marketable value and, somehow, you've got to be able to market that vehicle. I say the franchise system will stay in place primarily because of that," Burger said.

Chevrolet mall satellite stores, the first for General Motors, have been opened in Moline, Ill., and Appleton, Wis. The outlets are basically scaled-down sales offices owned and operated by a nearby dealer designed to glean prospects from heavy shopping-mall traffic.

Burger said the two dealer-owned Chevy stores were developed in response to requests from the individual dealers.

"Both of the dealers are younger guys—very innovative, very aggressive—and both saw an opportunity in their marketplace," he said. "We said, 'OK, we'll modify the sales agreement to allow you to do it.'"

But Burger said the satellite stores, while part of the future, are not necessarily the "wave" of the future.

"If you look at the example of Appleton, Wis., John Bergstrom, the dealer, is a very aggressive guy," said Burger. "A mall goes up several miles from his dealership, he's the only dealer in town and the traffic flow through that mall is fantastic.

"He had an opportunity to rent a pretty sizeable space to display vehicles," Burger added. "But it isn't how many vehicles he is selling. What he is finding is that people, given the opportunity to really shop, become much more deeply engrossed in the purchasing process. They're a lot less uncomfortable dealing with people who are experts in the products, but perhaps less expert in closing the deal."

The need for satellite units may also arise from new community growth patterns, he said. A 10-year-old store may see rampant development several miles away, leaving the dealer no alternative to setting up a mall outlet.

"Say the growth goes the other way on me," Burger said. "Someone puts up a mall. Why not go there and display six or eight cars, put three or four people out there and let them talk about why it's worth their time to come across town?"

Robert Starr, Chevrolet general sales and service manager, said the division is studying its existing satellite stores "to see what it brings to us."

While other GM divisions have established mall stores, Starr said Chevrolet has no current plans to add more secondary outlets.

"Every division in GM has two," said Starr. "We may put a third one in. We're trying to do it in certain parts of the country. So we would not put one in, for instance, 100 miles from where we have one. We're really trying to see what the market is going to do with these kinds of mall stores. If the experience is good, we'll see what we can do."

"Basically what we're getting is the traffic," he said. "We're trying to get the female buyer and the under-35 buyer, and if you think about where those people go to shop, it's in the malls."

Ford Division has situated a good many satellite stores in geographic areas without sufficient population density to support full-line dealerships. Ford has also developed several secondary units in large shopping malls.

U. S.-CAR OUTLETS

1947 to 1986

Date	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1947	45,580	
Jan. 1, 1948	46,092	+1.12
Jan. 1, 1949	49,173	+6.66
Jan. 1, 1950	46,821	−4.78
Jan. 1, 1951	47,543	+1.54
Jan. 1, 1952	46,014	−3.22
Jan. 1, 1953	45,191	−1.79
Jan. 1, 1954	41,910	−7.26
Jan. 1, 1955	40,374	−3.66
Jan. 1, 1956	41,018	+1.60
Jan. 1, 1957	37,982	−7.40
Jan. 1, 1958	37,188	−2.09
Jan. 1, 1959	35,077	−5.68
Jan. 1, 1960	33,658	−4.05
Jan. 1, 1961	32,482	−3.49
Jan. 1, 1962	31,331	−3.54
Jan. 1, 1963	30,853	−1.53
Jan. 1, 1964	30,827	−0.08
Jan. 1, 1965	30,691	−0.44
Jan. 1, 1966	30,278	−1.35
Jan. 1, 1967	28,422	−6.14
Jan. 1, 1968	27,784	−2.24
Jan. 1, 1969	27,486	−1.07
Jan. 1, 1970	27,071	−1.51
Jan. 1, 1971	26,126	−3.49
Jan. 1, 1972	25,621	−1.93
Jan. 1, 1973	25,441	−0.70
Jan. 1, 1974	25,349	−0.36
Jan. 1, 1975	24,980	−1.46
Jan. 1, 1976	24,453	−2.11
Jan. 1, 1977	24,268	−0.76
Jan. 1, 1978	24,147	−0.50
Jan. 1, 1979	24,051	−0.40
Jan. 1, 1980	23,379	−2.79
Jan. 1, 1981	21,772	−6.87
Jan. 1, 1982*	21,680	−0.41
Jan. 1, 1983**	20,799	−4.06
Jan. 1, 1984	20,841	+0.20
Jan. 1, 1985	20,902	+0.29
Jan. 1, 1986	20,673	−1.10

*—Jan. 1, 1982 and subsequent totals include Volkswagen.
**—Jan. 1, 1983 and subsequent totals include Renault.
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RETAIL OUTLETS, U.S. MAKES OF PASSENGER CARS
1986 VS. 1985

	Jan. 1, 1986 Exclusives (Within Corp.)	Jan. 1, 1986 Multiples (Within Corp.)	Jan. 1, 1986 Total Franchises	Jan. 1, 1986 Net Dealers	Jan. 1, 1985 Exclusives (Within Corp.)	Jan. 1, 1985 Multiples (Within Corp.)	Jan. 1, 1985 Total Franchises	Jan. 1, 1985 Net Dealers
AMERICAN MOTORS-RENAULT	156	2,530	2,686	1,421	192	2,546	2,738	1,465
AMC	103	1,265	1,368		124	1,273	1,397	
Renault	53	1,265	1,318		68	1,273	1,341	
CHRYSLER CORP.	954	8,031	8,985	4,003	965	7,931	8,896	3,988
Chrysler	0	3,049	3,049		0	3,023	3,023	
Dodge	945	1,982	2,927		955	1,938	2,893	
Plymouth	9	3,000	3,009		10	2,970	2,980	
FORD MOTOR CO.	2,780	6,247	9,027	5,517	2,840	6,208	9,048	5,564
Ford	2,769	1,913	4,682		2,825	1,907	4,732	
Lincoln	0	1,598	1,598		0	1,578	1,578	
Mercury	11	2,736	2,747		15	2,723	2,738	
GENERAL MOTORS	5,080	10,715	15,795	9,830	5,205	10,710	15,915	9,965
Buick	710	2,250	2,960		725	2,250	2,975	
Cadillac	255	1,360	1,615		255	1,355	1,610	
Chevrolet	2,940	2,110	5,050		3,020	2,100	5,120	
Oldsmobile	625	2,565	3,190		630	2,570	3,200	
Pontiac	550	2,430	2,980		575	2,435	3,010	
VOLKSWAGEN	877	0	877	877	899	0	899	899
TOTALS	9,847	27,523	37,370	21,648	10,101	27,395	37,496	21,881
Minus Intercorporate duals				975				979
NET DEALERS				20,673				20,902

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Dealer tally declines to 20,673

Continued from Page 1

for the domestic industry as a whole.

The increases of 1983 and 1984 followed severe declines during the recession—drops that peaked at a staggering 1,607 outlets in 1980.

There was no compelling reason for last year's dip. Domestic new-car sales rose in 1985, topping 8 million for the first time since 1979. The 1985 slip seems to be simply a continuation of the move toward fewer but larger dealerships that has been in evidence ever since the end of the rebuilding of dealer organizations that followed World War II.

In 1985, there was a drop of 38 domestic-car outlets in the first quarter. The loss climbed to 77 in the second quarter and totaled 73 for the third. The fourth quarter brought a lighter falloff of 41 establishments.

Here are the domestic dealer figures by quarter during the year:

Jan. 1, 1985	20,902
April 1, 1985	20,864
July 1, 1985	20,787
Oct. 1, 1985	20,714
Jan. 1, 1986	20,673

Despite the decline in dealerships, franchise totals increased for six domestic makes. Eight were down.

All three Chrysler Corp. makes added franchises during 1985. Dodge was up 34, Plymouth was up 29 and Chrysler was up 26. At Ford Motor Co., there were gains of 20 for Lincoln and 9 for Mercury. Cadillac's total was up 5 for the year.

Chevrolet and Ford, the two largest dealer organizations, suffered the greatest losses in 1985. Chevrolet's franchise total was off 70 and Ford's was off 50.

Elsewhere, there were dips of 30 for Pontiac, 29 for AMC (Eagle), 23 for Renault (Alliance and Encore), 22 for Volkswagen, 15 for Buick and 10 for Oldsmobile.

As noted, Chrysler Corp. was the only domestic maker to increase its dealer total during 1985. It added 15 for a year-end count of 4,003, and its total climbed above 4,000 for the first time since mid-1980.

Chrysler's count advanced by one in the first quarter, 5 in the second and 9 in the fourth. The corporation has boosted its total in 12 of the last 13 quarters; the other—the third quarter of 1985—showed no change.

Franchise figures on Jan. 1 were Chrysler, 3,049; Plymouth, 3,009, and Dodge car, 2,927.

In addition to its 4,003 car outlets, Chrysler Corp. has 4 that handle only Dodge trucks. They are not included in the corporate dealership total or the Dodge car-franchise total.

Ford Motor's dip of 47 establishments last year followed increases of 94 in 1983 and 56 in 1984. The current tally of 5,517 compares with 5,564 a year earlier. Quarterly dips last year were 11-9-13-14.

Franchise counts for its three makes on Jan. 1 were Ford car, 4,682; Mercury, 2,747, and Lincoln, 1,598.

There are 117 dealerships that handle only Ford heavy-duty trucks. They are not included in the corporate car-dealership total or in the Ford Division car-franchise total.

GM's count went down by 135 in 1985 for a year-end net of 9,830. The dip was steeper than 1984's 75 and was about the same as the decline of 120 in 1983. Quarterly slips last year 20-35-35-45.

Including GMC truck outlets, the General Motors dealership total was 10,400 as 1986 began.

Franchise totals on Jan. 1 were Chevrolet, 5,050; Oldsmobile, 3,190; Pontiac, 2,980; Buick, 2,960, and Cadillac, 1,615.

AMC-Renault had 1,421 car dealerships on Jan. 1, a dip of 44 from 1,465 at the beginning of 1985. The total receded by 3 in the first quarter, 23 in the second and 24 in the third. The fourth quarter brought an increase of six outlets.

The Jan. 1 franchise totals were 1,368 for AMC and 1,318 for Renault.

AMC has 738 duals with Big Three makes, and Renault is included in 90 percent of them. Half of AMC's 73 links with Volkswagen also handle Renault.

VW had 877 dealers on Jan. 1, down 22 from a year earlier. There were declines of 5, 10 and 7 outlets in the first three quarters and no change in the fourth.

VW has an estimated 150 duals with the Big Three and/or AMC.

Dealer total in Canada records a small increase

WILLOWDALE, Ont.—The number of new-car dealerships in Canada has increased slightly, according to the semi-annual survey conducted by the Federation of Automobile Dealer Assns. of Canada.

The count in the October survey was 3,597, compared with 3,488 a year earlier, FADA reported. The number of franchises also increased, to 4,064 from 3,955 the previous year. Some dealers hold more than one franchise.

Of the 19 makes monitored by FADA, eight showed an increase in dealer numbers, eight showed losses and three had no change.

Among domestics, Ford franchises rose 3.2 percent and Chrysler was up 2.8 percent. Smaller gains were reported for General Motors.

Among imports, the number of Hyundai franchises rose 69.6 percent. Skoda was up 4.2 percent and Suzuki 12.8 percent. Small gains also were notched by Jaguar and Saab.

Volvo franchises were down 1.1 percent and Volkswagen had 3.9 percent fewer franchises. Small setbacks were recorded for American Motors, BMW, Honda, Lada, Subaru and Nissan. No change was recorded for Mazda, Mercedes-Benz and Toyota.

Franchise counts by make (with year-earlier tallies in parentheses) were: General Motors, 962 (960); Ford, 667 (646); Chrysler, 548 (533); Toyota, 208 (208); AMC, 198 (204); Volkswagen, 195 (203); Nissan, 187 (192); Honda, 184 (186); Hyundai, 173 (102); Mazda, 133 (133); Suzuki, 88 (78); Subaru, 80 (82); Lada, 78 (80); Volvo, 72 (81); Skoda, 61 (42); Mercedes-Benz, 53 (53); BMW, 45 (46); Saab, 43 (41); Jaguar, 22 (20), and other, 67 (65).

Laws against chop shops requested in Pennsylvania

HARRISBURG, Pa.—State Atty. General LeRoy S. Zimmerman asked the Pennsylvania Legislature for tough laws to crack down on auto theft chop-shop businesses.

Zimmerman said car theft in the state in 1984 increased 7 percent over the previous year to about 40,000 vehicles valued at $160 million. Because professional operations disassembled them, only 12.9 percent of the cars were recovered, he said.

Chrysler V-6 for Trenton if union acts

By Mary Connelly
Detroit Reporter

Chrysler Corp. will build its new V-6 engine at its Trenton (Mich.) engine plant if it can reach a "progressive" labor agreement with the UAW local at the site.

On Feb. 9, members of UAW Local 372, which represents 2,200 workers at the plant, authorized the union to negotiate a streamlined labor pact that could result in changes in work rules and job classifications.

On Feb. 10, Chrysler said it would invest up to $280 million to produce the new engine if the new agreement is reached.

Talks are scheduled to begin immediately, Chrysler said.

"If the new labor agreement is reached, production of the new engine will provide 1,500 jobs that otherwise would have been lost," said Anthony P. St. John, Chrysler vice president—industrial relations. "In addition, more than 500 jobs will be created in other plants of the corporation that will produce parts and components for the V-6 engine."

Patricia Wolford, president of UAW Local 372, said that in a letter to the union, St. John warned that without a new "progressive" agreement, employment at the plant would drop to 700 by 1990 and that it was "doubtful the plant will remain viable." The plant currently produces 4-cylinder engines.

Wolford said 99 percent of the estimated 1,200 to 1,500 UAW members voting favored authorizing negotiation of a new-style agreement. A new local pact would also require ratification by the local membership.

Chrysler would begin producing the new 60-degree V-6 engine at the plant in the 1990s.

The V-6 will power a number of yet-to-be-introduced Chrysler products. No details have been released, but it is likely that the engine would replace Chrysler's 2.2-liter and 2.5-liter 4-cylinder engines in some upscale applications.

UAW President Owen Bieber said last week that the Trenton plant is one of five targeted for revitalization under a program outlined in the national UAW/Chrysler contract approved last fall.

The aim is to "ensure the long-time life of those plants," Bieber said.

Chrysler has maintained that so-called modern, progressive agreements will boost productivity and make its plants more competitive.

Wolford said Chrysler has not yet outlined its contract proposal but that the company has "alluded to classification changes and work rule changes." Wage and benefit rates established by national contract would not be affected, she said.

Chrysler Motors Chairman Gerald Greenwald said last week the national labor agreement negotiated in October "put in place a model plant arrangement."

"It was up to the international, each of the local unions and up to our management in each of our plants to decide which of our plants would be identified as model plants, which ones needed to consider more-modern agreements in order to preserve employment," Greenwald said. "Trenton is among them."

Production Page

U.S. CAR	Week Ended Feb. 15, 1986	Week Ended Feb. 16, 1985	Week Ended Feb. 8, 1986	Feb. to Date	Jan. 1, to Feb. 16, 1985	Jan. 1, to Feb. 15, 1986
AMERICAN MOTORS	0	0	0	0	11,494	2,823
Renault Total	0	0	0	0	11,494	2,823
Alliance	0	0	0	0	7,273	2,378
Encore	0	0	0	0	4,221	445
CHRYSLER CORP.	29,950	17,552	29,513	59,463	163,812	196,016
Plymouth Total	7,950	5,044	7,999	15,949	47,804	54,927
Horizon	2,900	1,735	3,083	5,983	16,561	19,977
Reliant	3,600	2,222	3,474	7,074	20,783	25,179
Caravelle	1,200	875	1,186	2,386	8,234	8,158
Gran Fury	250	212	256	506	2,226	1,613
Chrysler Total	11,400	5,723	10,832	22,232	56,396	72,372
LeBaron	2,600	1,768	2,678	5,278	15,606	17,668
LeBaron GTS	2,600	1,008	2,513	5,113	8,553	15,647
Laser	1,100	530	1,102	2,202	7,030	6,859
New Yorker/E-Class	1,400	1,051	1,424	2,824	9,309	9,899
Fifth Avenue	3,700	1,366	3,115	6,815	15,898	22,299
Dodge Total	10,500	6,785	10,682	21,282	59,612	68,717
Omni	3,200	1,766	3,112	6,312	17,634	20,357
Aries	2,600	2,040	2,432	5,032	15,838	15,916
Daytona	1,000	710	998	1,998	6,211	6,629
Dodge 600	1,500	1,106	1,666	3,166	10,113	10,640
Lancer	1,900	751	2,037	3,937	6,412	12,278
Diplomat	400	412	437	837	3,404	2,897
FORD MOTOR	37,977	34,639	38,937	76,914	251,378	226,320
Ford Division	25,987	22,477	26,510	52,497	163,717	153,350
Escort	7,969	7,064	8,880	16,849	45,644	50,945
Mustang	4,210	3,129	4,204	8,414	23,122	26,039
LTD	0	4,162	0	0	32,253	0
Taurus	6,122	0	5,086	11,208	0	25,896
Thunderbird	3,623	3,996	3,688	7,311	27,537	23,212
Crown Victoria	0	0	0	0	7,122	0
Escort EXP	0	556	0	0	3,583	0
Tempo	4,063	3,570	4,652	8,715	24,456	27,458
L-M Division	11,990	12,162	12,427	24,417	87,661	72,970
Mercury Total	8,300	8,691	8,149	16,449	64,075	49,094
Lynx	1,292	1,830	1,374	2,666	11,234	9,392
Capri	380	676	386	766	3,155	2,725
Marquis	0	2,219	0	0	15,154	0
Sable	2,924	0	2,461	5,385	0	12,585
Cougar	2,391	2,405	2,422	4,813	20,927	15,254
Grand Marquis	0	0	0	0	4,733	0
Topaz	1,313	1,561	1,506	2,819	8,872	9,138
Lincoln Total	3,690	3,471	4,278	7,968	23,586	23,876
Continental	411	634	478	889	4,280	2,789
Lincoln	2,769	2,459	3,209	5,978	16,706	17,916
Mark VI/VII	510	378	591	1,101	2,600	3,171
GENERAL MOTORS	97,255	90,645	95,451	192,706	692,702	619,346
Buick Total	15,001	16,571	13,304	28,305	134,254	100,411
Skylark (X-car)	0	2,344	0	0	16,523	0
Skyhawk	1,775	2,260	1,699	3,474	14,526	11,650
Somerset/Skylark	1,815	2,193	1,829	3,644	16,248	13,080
Century	3,773	4,346	4,431	8,204	30,090	33,700
Regal	780	1,182	0	780	16,007	4,879
LeSabre/Electra (rwd)	255	1,068	228	483	22,787	1,498
LeSabre (fwd)	2,530	0	1,681	4,211	0	10,845
Riviera	765	1,236	390	1,155	8,446	2,629
Electra (fwd)	3,308	1,942	3,046	6,354	9,627	22,130
Cadillac Total	6,871	7,364	6,937	13,808	53,106	39,700
Cimarron	435	531	539	974	3,718	2,799
Seville	581	815	294	875	5,790	1,969
Eldorado	825	1,439	406	1,231	10,656	2,783
Cadillac (rwd)	2,040	970	1,960	4,000	8,105	8,827
DeVille (fwd)	2,990	3,609	3,738	6,728	24,837	23,322
Chevrolet Total	30,300	32,490	33,135	63,435	247,935	213,631
Chevette	2,560	3,048	2,589	5,149	22,314	16,858
Cavalier	9,562	8,694	9,399	18,961	67,524	60,718
Celebrity	6,281	5,257	7,203	13,484	39,158	39,774
Camaro	5,004	3,991	5,000	10,004	31,720	31,709
Citation	0	1,636	0	0	10,873	0
Monte Carlo	2,310	3,242	2,517	4,827	19,957	16,673
Chevrolet	3,855	5,608	6,103	9,958	51,612	46,847
Corvette	728	1,014	324	1,052	4,877	1,052
Oldsmobile Total	26,499	22,992	22,736	49,235	172,508	154,240
Firenza	1,070	1,009	1,117	2,187	10,141	6,578
Cutlass Supreme	5,270	3,182	2,173	7,443	26,288	27,502
Cutlass Ciera	6,759	7,444	7,266	14,025	52,905	44,674
88 (rwd)	480	4,449	440	920	38,038	3,823
88 (fwd)	6,258	0	5,160	11,418	0	29,904
Olds 98	2,723	2,984	2,902	5,625	18,791	19,366
Calais	3,385	3,053	3,387	6,772	19,942	20,489
Toronado	554	871	291	845	6,403	1,904
Pontiac Total	18,584	11,228	19,339	37,923	84,899	111,364
Acadian**	0	231	430	430	1,413	1,400
2000 Sunbird	2,931	2,572	3,035	5,966	19,937	18,528
1000	845	623	686	1,531	4,265	4,122
Firebird	2,674	2,133	2,683	5,357	17,072	16,970
6000	3,564	558	3,971	7,535	2,778	19,575
Parisienne	1,770	1,460	1,763	3,533	10,424	13,264
Fiero	2,400	2,058	2,403	4,803	14,342	9,526
Grand Am	4,400	1,593	4,368	8,768	14,668	27,979
HONDA	3,750	2,979	3,794	7,544	21,696	23,838
NISSAN	1,785	0	1,796	3,581	0	12,481
NUMMI*	2,970	20	2,970	5,940	65	15,010
VOLKSWAGEN	1,550	1,951	1,468	3,018	12,962	10,217
Total Cars, U.S.	175,237	146,886	173,929	349,166	1,154,111	1,106,051
Total Cars, Canada	21,481	19,431	20,014	41,495	131,446	128,699
N. American Cars	196,718	166,317	193,943	390,661	1,285,557	1,234,750
N. American Trucks	91,209	81,051	90,895	182,104	557,056	575,567
North American Cars and Trucks	287,927	247,368	284,838	572,765	1,842,613	1,810,317

*-Revised estimate. **-All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

Year's millionth car arrives one day late

By Kathy Boyer
Detroit Reporter

U.S. auto makers assembled their millionth car Feb. 12, one day later than in 1985.

So far this year, 1,106,051 cars have been built, 4.16 percent behind the 1,154,111 completed last year at this point.

Last week's estimated output of 175,237 cars was 0.75 percent more than the previous week's 173,929 and 19.30 percent more than the year-ago week's 146,886, when bad weather slowed production at several plants.

Companies shared last week's estimated production as follows: General Motors, 55.51 percent; Ford Motor Co., 21.67 percent; Chrysler Corp., 17.09 percent; Honda of America Mfg. Co., 2.14 percent; Nissan Motor Mfg. Co., U.S.A., 1.02 percent; New United Motor Mfg., Inc., 1.69, and Volkswagen of America, 0.88 percent.

As reported earlier, AMC's Kenosha plant is closed for inventory adjustment. The plant is expected to resume production late this month.

GM reported no overtime last week.

Ford slated overtime Saturday (Feb. 15) at its Atlanta plant.

All Ford plants except Chicago are scheduled for daily overtime this week (Feb. 17).

Overtime is slated Saturday (Feb. 22) at Ford's Wixom (Mich.), Wayne (Mich.) and Kansas City plants.

Truck production rises to 72,493

Domestic truck makers' targeted output of 72,493 trucks last week was 0.71 percent more than the previous week's 71,983 and 9.55 percent more than the year-ago week's 66,172.

Year-to-date, 456,120 trucks have been assembled, 4.65 percent more than the 435,840 completed last year at this time.

General Motors scheduled Saturday (Feb. 15) overtime at its plants in St. Louis; Moraine, Ohio; Lordstown, Ohio, and Baltimore.

Saturday overtime was slated at Ford Motor Co.'s Norfolk plant.

Ford has scheduled daily overtime this week (Feb. 17) at all plants except Norfolk.

Saturday (Feb. 22) overtime is scheduled at Ford's Twin Cities and St. Louis plants.

Canadian car output highest of 1986

Canadian auto makers last week scheduled their highest production of the year: 21,481 cars—7.33 percent more than the previous week's 20,014 and 10.55 percent more than the year-ago week's 19,431.

So far this year, 128,699 cars have been assembled, 2.09 percent below the 131,446 completed last year at this point.

Canadian truck makers pegged production at 18,716 units last week, 1.04 percent below the previous week's 18,912.

Last week's output was 25.79 percent more than the year-ago week's 14,879, when Chrysler Corp.'s Windsor (Ont.) plant lost production because of bad weather.

Year-to-date, 119,447 trucks have been built, 1.46 percent below the 121,216 assembled last year at this time.

Makers say '85 output totaled 8,186,040 cars

DETROIT.—Revised calendar-year totals released by auto makers place 1985 U.S. auto output at 8,186,040 units, up 5.25 percent from 1984's 7,777,721.

General Motors reported 1985 production of 4,822,478 cars; Ford Motor Co., 1,636,150; Chrysler Corp., 1,266,068; Honda of America Mfg. Co., 145,337; American Motors, 111,138; Volkswagen of America, 96,458; New United Motor Mfg. Co., 64,601, and Nissan Motor Mfg. Co., U.S.A., 43,810.

CANADIAN CAR	Week Ended Feb. 15, 1986	Week Ended Feb. 16, 1985	Week Ended Feb. 8, 1986	Feb. to Date	Jan. 1, to Feb. 16, 1985	Jan. 1, to Feb. 15, 1986
AMERICAN MOTORS	0	570	0	0	1,024	1,200
FORD MOTOR	11,655	9,771	10,162	21,817	73,145	71,651
GENERAL MOTORS	9,601	8,865	9,627	19,228	55,792	54,436
VOLVO	225	225	225	450	1,485	1,412
Total Cars, Canada	21,481	19,431	20,014	41,495	131,446	128,699

U.S. TRUCK☆	Week Ended Feb. 15, 1986	Week Ended Feb. 16, 1985	Week Ended Feb. 8, 1986	Feb. to Date	Jan. 1, to Feb. 16, 1985	Jan. 1, to Feb. 15, 1986
CHEVROLET	25,424	22,313	24,906	50,330	149,971	160,531
DODGE	0	2,849	0	0	26,248	0
FORD	29,333	23,505	30,059	59,392	148,824	186,350
GMC	7,783	7,692	8,054	15,837	43,954	48,327
NAVISTAR	1,485	1,141	1,490	2,975	9,946	9,433
JEEP	4,250	3,535	3,457	7,707	26,691	30,972
NISSAN	1,768	2,987	1,567	3,335	16,016	5,985
AM GENERAL	50	50	50	100	330	322
MISCELLANEOUS	2,400	2,100	2,400	4,800	13,860	14,200
Total Trucks, U.S.	72,493	66,172	71,983	144,476	435,840	456,120

CANADIAN TRUCK	Week Ended Feb. 15, 1986	Week Ended Feb. 16, 1985	Week Ended Feb. 8, 1986	Feb. to Date	Jan. 1, to Feb. 16, 1985	Jan. 1, to Feb. 15, 1986
CHRYSLER	8,624	5,340	9,099	17,723	57,194	57,297
FORD	3,581	3,041	3,231	6,812	23,448	22,381
GENERAL MOTORS	6,336	6,260	6,416	12,752	39,127	38,692
NAVISTAR	175	238	166	341	1,447	1,077
Total Trucks, Canada	18,716	14,879	18,912	37,628	121,216	119,447
N. American Trucks	91,209	81,051	90,895	182,104	557,056	575,567

•—Includes window van production. *— Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.